GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:184
ANSWERED ON:15.03.2002
LOSSES SUFFERED BY FCI
MANSINH PATEL

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Food Corporation of India is suffering heavy losses;

(b) if so, the reasons therefor;

(c) the efforts made by the Government to improve the performance of FCI; and

(d) the action taken against persons responsible for the said losses?

Answer

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHANTA KUMAR)

(a),(b),(c)&(d): A statement is laid on the Table of the House.
STATEMENT REFERRED TO IN REPLY TO PARTS (a),(b),(c)&(d) OF STARRED QUESTION NO.184 FOR ANSWER ON 15-03-2002 IN THE LOK SABHA.

(a)&(b): Some losses in the Food Corporation of India (FCI) do occur on account of storage, transportation, pilferage, etc. Storage losses occur, inter-alia, due to loss of moisture, multiple handling, prolonged storage and spillage. Transit losses take place due to moisture loss, different modes of weighment, transhipment, spillage, etc.

(c): The steps taken to minimise the losses and to improve the performance of the FCI include the following:

(i) installation of weigh bridges;

(ii) tightening of security at depots; intensifying surprise checks; ensuring regular stock verification;

(iii) encouraging double-line machine stitching of bags;

(iv) induction of Central Industrial Security Force at vulnerable depots to curb theft and pilferage;

(v) streamlining procedures and documentation for transparency and accountability in operations;

(vi) regular and surprise inspection of depots by senior officers;

(vii) improvement in size and quality of gunnies;

(viii) augmentation of covered storage capacity; and

(ix) introduction of bulk handling, storage and transportation of foodgrains.

(d): Departmental action, including recovery of losses, is taken against the FCI officials found responsible for losses. Criminal action is also taken, where warranted.